

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7994

BILL NUMBER: HB 1842

DATE PREPARED: Jan 20, 2001

BILL AMENDED:

SUBJECT: Tobacco Settlement Funds.

FISCAL ANALYST: Kathy Norris

PHONE NUMBER: 234-1360

FUNDS AFFECTED:

GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill converts certain existing trust funds to accounts within the Indiana Tobacco Master Settlement Agreement Fund. It also makes conforming changes.

Effective Date: July 1, 2001.

Explanation of State Expenditures: This bill changes the Indiana Health Care Trust Fund, the Biomedical Technology and Basic Research Trust Fund, the Indiana Local Health Department Trust Fund, and the Indiana Prescription Drug Fund from separate funds to accounts within the Indiana Tobacco Master Settlement Agreement Fund. The bill also removes the provision that each of the accounts will accumulate interest earnings. This provision may result in an increase in interest earnings that accumulate within the Indiana Tobacco Master Settlement Agreement Fund. The extent of the increase in interest revenue accumulating within the Tobacco Master Settlement Agreement Trust Fund is dependent on the cash flow and individual investments within the fund. The bill also revises the source of funds available to pay the expenses of the Indiana Health Care Account Advisory Board from the Tobacco Master Settlement Agreement Fund to the Indiana Health Care Account.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Budget Agency, Treasurer of State, State Department of Health.

Local Agencies Affected:

Information Sources: